

RECEIVED
SURFACE TRANSPORTATION
BOARD

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NorRail®, Inc.
Buying, Selling, Leasing
And Management of Railcars

308 12th Avenue South, Buffalo, Minnesota 55313 • Phone: (612) 557-0215 • Fax: (612) 682-2452

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
1925 K. Street NW, Suite 700
Washington, D.C. 20423

RECORDATION NO. 21283 ✓

March 13, 1998

FILED

MAR 16 '98

4-06 PM

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two originals of Memorandum of Railcar Lease Agreement dated as of September 17, 1997, a primary document as defined in the Board's Rules for Recordation of Documents.

The names and addresses of the parties to the enclosed documents are:

Lessor: NorRail, Inc.
308 - 12th Avenue South
Buffalo, MN 55313
Phone: 612-557-0215

RECORDATION NO. 21284

FILED

MAR 16 '98

4-06 PM

Lessee: Consolidated Rail
2001 Market Street
Philadelphia, PA 19101-1420
Phone: 215-209-5309

The two Memorandum of Railcar Lease Agreements cover 100-110T Gondolas and 150-110T Gondolas respectively. Enclosed is our check in the amount of \$48.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return two each stamped copies of the enclosed documents to the undersigned. If you have any questions or require any further information in connection with this filing, please contact the undersigned at 612-557-0215.

Very truly yours,

Bradley C. Gunstad
Vice President & General Counsel
Enclosures

FORMS/STB

MEMORANDUM OF RAILCAR LEASE AGREEMENT

THIS MEMORANDUM OF RAILCAR LEASE AGREEMENT is made and entered into as of February 20th, 1998 by and between NorRail, Inc., a Minnesota Corporation ("Lessor") and Consolidated Rail Corporation, a Pennsylvania Corporation ("Lessee"), with reference to the following:

1. Lessor has agreed to lease to Lessee, and Lessee has agreed to lease from Lessor various railcars pursuant to one or more Schedules to the Lease to be entered into by Lessor and Lessee from time to time, all as more particularly described in that certain Railroad Equipment Lease Agreement dated August 1, 1997 between Lessor and Lessee (hereinafter referred to as the "Lease").
2. Pursuant to the Lease, Lessor has agreed to lease to Lessee and Lessee has agreed to lease from Lessor the 100 - 110 Ton, 52' 6" Gondolas with 5' 6" sides bearing the reporting marks and road numbers CR 585850 through CR 585949, all as more particularly described in the Lease.
3. The Lease shall be effective as of the execution date thereof and shall be subject to the term of the Lease, as provided therein.

IN WITNESS WHEREOF, the parties hereto have executed or caused this Memorandum of Railcar Lease Agreement to be executed as of the date first above written.

Lessor: NORRAIL, INC.

Lessee: CONSOLIDATED RAIL
CORPORATION

By: [Signature]

By: [Signature]

Its: V.P. General Counsel

Its: Asst. Treasurer

By: [Signature]

By: A. L. Ross, Jr.

Its: V.P. SALRS

Its: Dir. Equip. Planning

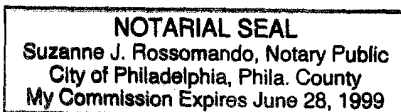
STATE OF PENNSYLVANIA, COUNTY OF PHILADELPHIA, TO WIT:

On this 20th day of February, 1998 before me personally appeared, Thomas McGraw and Anthony Rosa, to me personally known, who being by me duly sworn, says that they are the Asst. Treasurer and Director - Core Equip., respectively of Consolidated Rail Corporation, a Pennsylvania corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(Notarial Seal)

Suzanne J. Rossomando
Notary Public

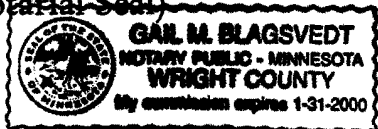
My commission expires _____



STATE OF MINNESOTA, COUNTY OF WRIGHT, TO WIT:

On this 23 day of February, 1998 before me personally appeared, Bradley C. Denotad and J. Lee Struble, to me personally known, who being by me duly sworn, says that they are the VP General Counsel and VP Sales, respectively of NorRail, Inc., a Minnesota corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(Notarial Seal)



Gail M. Blagsvedt
Notary Public

My commission expires 1-31-2000